

Daily Economic News Summary: 11 October 2018

1. Iran Sanctions: India Ups Imports From Saudi

Source: Financial Express ([Link](#))

Indian refiners have sought additional four million barrel of crude oil from Saudi Arabia in November, a move that might partly compensate for any fall in their imports from Iran consequent to the US sanctions on the Persian Gulf country to be effective November 4. India's oil imports from Saudi Arabia have been to the tune of 25 million barrels per month in recent past. Saudi Arabia was India's second largest source of oil imports in FY18, accounting for 15% of the country's overall oil imports; Iraq is the top crude oil exporter to India with a 20% share in India's overseas oil purchases.

2. India's Debt Lower Than Best, Emerging Market Economies: IMF

Source: The Hindu, Business Line ([Link](#))

India's debt is lower than the best or emerging market economies in the world, a top IMF official has said as he cautioned that the global debt has reached a new record high of \$182 trillion in 2017. Vitor Gasper, International Monetary Fund (IMF) Director of Fiscal Affairs Department, said India's debt was substantially less than the global debt as a percentage of world Gross Domestic Product (GDP). In India, private debt in 2017 was 54.5 per cent of the GDP and the general government debt was 70.4 per cent of the GDP, a total debt of about 125 per cent of the GDP, according to the latest IMF figures. In comparison, China's debt was 247 per cent of the GDP. "So, it (India's debt) is substantially less than the global debt as percentage of world GDP," Gasper told PTI.

3. Focus Must Be On Improving Fundamentals Of Industry Instead Of Duty Hikes: Steel Secretary

Source: The Hindu, Business Line ([Link](#))

The Steel Ministry's focus is on strengthening the fundamentals of the industry and not on calls for hiking anti-dumping duties in the light of steel price fluctuations in the international market. Referring to calls to revise anti-dumping duties, Secretary, Ministry of Steel, Binoy Kumar, told *BusinessLine*, "These are matters which keep happening. The prices move up and down

frequently. I think we should not concentrate too much on that. We should concentrate on the basics of our industry, the issue of raw materials and logistics.” Kumar was speaking on the sidelines of the International Conference on Minerals & Metals Outlook 2030. In July, representatives of domestic steel manufacturers said they feared the existing anti-dumping measures in India are inadequate as global prices of steel have risen considerably.

4. Cabinet Nod To Merger Of Skill Development Bodies

Source: Livemint ([Link](#))

The Union cabinet on 10 October approved the merger of the National Council for Vocational Training (NCVT) and the National Skill Development Agency (NSDA) to “consolidate fragmented regulatory structures” and improve the outcome of the Skill India mission. The merged entity would be called the National Council for Vocational Education and Training (NCVET), the government said after a cabinet meeting. The overarching regulator will bring in accountability in a sector that caters to nearly 15 million students at any given time. Skill development and entrepreneurship minister Dharmendra Pradhan termed the cabinet decision an “institutional reform” that will lend credibility to the sector and “encourage greater private investment”.

5. ‘China, India Need To Deepen Their Cooperation To Fight Trade Protectionism’

Source: The Hindu, Business Line ([Link](#))

India and China need to deepen cooperation to fight trade protectionism in the wake of the unilateral approach being adopted by the US on trade-related disputes, the Chinese Embassy said on 10 October. It said practising unilateral trade protectionism in the name of “national security” and “fair trade” will not only affect China’s economic development, but also undermine the external environment of India and hinder India’s booming economy. “As the two largest developing countries and major emerging markets, China and India are both in the vital stage of deepening reform and developing economy, and both need stable external environment,” said Counselor Ji Rong, spokesperson of the Chinese Embassy in India. He was replying to media queries relating to trade friction between China and the US.

6. Draft Electronics Policy Aims \$400 Billion Manufacturing Ecosystem Turnover By 2025

Source: The Economic Times ([Link](#))

The IT ministry looks to create a USD 400 billion electronics manufacturing industry by 2025 with mobile devices segment accounting for three-fourths of the production, according to the draft electronics policy. "Promote domestic manufacturing in the entire value-chain of ESDM (electronic system design and manufacturing) for economic development to achieve a turnover of USD 400 billion by 2025," the draft National Policy on Electronics (NPE) released by the Ministry of Electronics and IT on 10 October proposes. The proposed policy aims to double target of mobile phone production from 500 million units in 2019 to 1 billion by 2025 to meet the objective.

7. US Keen To Invest In India's Infra, Port, Solar Sector Development : OPIC

Source: The Economic Times ([Link](#))

The US government's development finance institution OPIC is keen to invest in the development of India's infrastructure, port and solar energy sectors, a top US official said on 9 October. Overseas Private Investment Corporation (OPIC) Executive Vice-President David Bohigian, who is visiting India, further said that India is a clearly the anchor of US government's Indo-Pacific strategy. OPIC is a self-sustaining US government agency that helps American businesses invest in emerging markets.

8. Govt To Soon Come Out With Cargo Policy For Sustainable Growth Of Aviation

Source: Business Standard ([Link](#))

The government will soon come out with an air cargo policy, and a vision document is being proposed to ensure "sustainable growth" of the domestic aviation sector for all times to come, Union Minister Suresh Prabhu said on 10 October. India is one of the fastest growing aviation markets in the world and has been registering double-digit growth for nearly four years. The ministry is preparing 'Vision 2035' document for the civil aviation sector. "We are very soon bringing an air cargo policy..." Prabhu said at a seminar on international aviation security organised by the CISF.